

**Final Recommendations For
USDA Commodity Specifications and Standards Review of
Group B Products (Flours, Grains, Dairy Products, Peanut Products, Oils and Shortenings)
November 19, 2003**

	Industry Responses to USDA's "Notice to the Trade"	School, Recipient Agency, and Industry Responses to Internet Solicitation	USDA's Response
	Quick Cooking Rolled Oats		
	<p>There is no standard commercial pack size for oatmeal. Each vendor uses its own pack size.</p>	<ul style="list-style-type: none"> Remove the crude fiber test because fiber content is inherent in the oat. It does not affect quality, and the test is not routine so most milling labs must send out and pay extra for it. The 3 lb. paper packaging is easily damaged during shipping and handling. Use polyester film instead of paper packaging because it keeps product fresher. It is still environmentally friendly, and it is more versatile and, thus, cheaper in the long run. We would prefer a 1lb. size for our teen residential treatment center kitchen that participates in the school lunch program. 	<p>USDA pack sizes for rolled oats are 50 lb. bags for schools only, 12/42 oz. tubes for FDPIR only, and 12/3 lb. packages for all programs.</p> <p>USDA's Commercial Item Description for rolled oats that includes crude fiber maximums and crude fiber testing requirements was developed in consultation with industry to meet existing commercial standards. We do not have plans to change the crude fiber requirement for commodity rolled oats. We will reexamine this issue should our customers encounter problems or if industry standards change in the future.</p> <p>USDA gives vendors the option to provide 3 lb. rolled oats in either kraft paper or the newer poly film bags. We have received general comments in the past that paper packaging damages more easily than other forms of packaging. We are reviewing the option to use kraft paper to see if it is still suitable.</p> <p>We did not receive any requests for a 1 lb. package of rolled oats from State agencies that submitted Commodity Acceptability Reports in FY/SY 2002. Demand is insufficient to offer this pack size to Child Nutrition Programs.</p>

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		<ul style="list-style-type: none"> Continue to offer 12/3 lb. packages of rolled oats. They are easier to handle than the 50 lb. bags. Cooks can use small amounts with less potential for spoilage, contamination, infestation, etc. Our school would prefer a 12/42 oz. size of rolled oats; we avoid 50 lb. bags for safety and practical reasons. The 25 lb. size or less is ideal for smaller schools; it reduces injuries. Replace the 50 lb. bag with 25 lb. bag. Look at USDA's Commodity Acceptability Report for school preferences. 	<p>We plan to continue purchasing rolled oats in cases containing 12/3 lb. bags.</p> <p>We do not anticipate offering the 42 oz. size to schools since a similar size (48 oz.) is already available.</p> <p>As a result of this review, we will look into the feasibility of making a 25 lb. bag of rolled oats available to schools during SY 2004-2005, or earlier.</p>
2.	Milled Rice		
2a.	<p><i>Pack Sizes:</i></p> <p>Domestic commercial pack sizes vary from customer to customer. Industry uses 30 lb., 48 lb., and 60 lb. sizes.</p> <p>Our standard shipping size is a 30/2 lb. unit, but USDA requires a 24/2 lb. unit.</p> <p>No problems. Our standard sizes are 12/2 lb., 24/2 lb., and 25 lb. bags.</p> <p>No problems. Our standard sizes are 1 lb., 2 lbs., 10 lbs., 25 lbs., 50 lbs., and 100 lbs.</p> <p>No problems with rice pack sizes. The predominant commercial sizes are 12/2 lb., 24/2 lb., or 25 lb. units.</p>	<ul style="list-style-type: none"> The 25 lb. size or less is ideal for smaller schools, and it also reduces injuries. Continue the 25 lb. size. Look at USDA's Commodity Acceptability Report for school preferences. 	<p>USDA's pack sizes for rice (50 lb. bags, 25 lb. bags, and 24/2 lb. packages) already follow the standard sizes used by the majority of commercial vendors. Therefore, we do not plan to change our current pack sizes for rice unless there are sufficient requests to make such a change.</p>

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2b.	<p><i>Broken Content:</i></p> <p>The commercial standard for rice is usually based on appearance, while the USDA standard is based on Federal Grain Inspection Service certificate requirements. Most top-quality domestic rice only allows for a 4% broken content while USDA allows a 7% broken content.</p> <p>The commercial standard (U.S. No. 1) allows a maximum 4% broken content while USDA standard (U.S. No. 2 or better) allows for a maximum 7% broken content.</p> <p>Predominant commercial grade is U.S No. 1 or U.S No. 2.</p>	<ul style="list-style-type: none"> • The 4% standard only applies to parboiled rice. The industry standard for white milled rice is 7%. There isn't enough white milled crop to consistently make enough 4% product. This fact could make the price significantly higher. • Go with 4% to maintain consistency with purchased product. • We've received some complaints about the 7% broken content. • Rice with 7% broken content is fine for our residential treatment center. 	<p>Rice is purchased in conformance with the requirements outlined in the "U.S. Standards for Milled Rice" which are considered the national commercial standards for this product. These standards require a U.S. No. 2 grade or better product with a broken content of no more than 7%. Any deviation from the commercial standard could have negative cost implications.</p>
2c.	<p><i>Packaging Materials:</i></p> <p>USDA's special paper and polyethylene (but not polypropylene) packaging strength requirements for rice are "overkill."</p>	<ul style="list-style-type: none"> • Replace USDA's recycled plastic "burlap" rice bags with brown paper bags. These are easier to handle, store, and deliver. • After the stretch wrap on the pallet is opened, bags of rice have a tendency to move and slide. This results in damage and requires restacking. • The standard commercial packaging used by USDA meets our needs. • USDA's packaging is fine as long as the contents are commercial quality. 	<p>Since we now purchase all rice using commercial standards, packaging and pallets are the same as those used in the commercial sector. We will reexamine the issue of packaging materials should our customers encounter problems or if industry standards change in the future.</p>
2d.	<p><i>Labels:</i></p> <p>Commercial labels are more expensive. Using a premium</p>	<ul style="list-style-type: none"> • We would like USDA to do a cost comparison to see if commercial labels are more expensive. 	<p>We have given vendors the option to use commercial labels on products they provide to</p>

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	commercial brand for packages in USDA's Food Aid Program could conflict with commercial marketing efforts. (Note: This is not an issue in the domestic nutrition assistance programs administered by USDA.)	<ul style="list-style-type: none"> Commercial labels meet our needs. 	USDA's commodity nutrition assistance programs. In the long run, using commercial labels should lessen delivery delays caused by the need for special commodity runs, encourage more bidders, and reduce program costs.
2e.	<i>Enriched vs. Non-Enriched:</i> Commercial rice is non-enriched while USDA requires enriched rice.	<ul style="list-style-type: none"> USDA should continue to use enriched rice because it supports program nutrition goals. Please continue to provide enriched rice. 	Most commercial rice sold in the United States is enriched per the Food and Drug Administration's requirements. We plan to keep the enrichment requirement in consideration of USDA's Strategic Plan goal to support real improvement in the diets of those served by nutrition assistance programs.
2f.	<i>Performance:</i> No comments on rice.	<ul style="list-style-type: none"> We don't order USDA rice because it does not meet industry standards. It is a poor quality, gummy, and difficult to work with, which is probably due to its short grain. The long and short grain rice is starchy and hard to work with and serve; the finished product has a bad clumpy appearance. Buying rice with only 4% broken content might resolve complaints of some State agencies that the product is starchy. We don't order commodity rice because it performs so poorly and affects the quality of our food; we'd like parboiled and flavor-infused rice, which is what we purchase. 	<p>USDA now purchases all commodity rice for its domestic nutrition assistance programs using commercial specifications. As a result, the performance of the product should be identical to that of rice in the commercial sector. We periodically reexamine our standards and will consider changes if our customers encounter problems, or if industry standards change in the future.</p> <p>USDA provides parboiled rice in 25 and 50 lb. bags. We do not plan to purchase flavor-infused rice at this time.</p>

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3.	Flours/Bakery Mix/Cornmeal/Farina		
3a.	<p><i>Pack Sizes:</i></p> <p>USDA pack sizes for yellow cornmeal and all purpose flour conform to those in the commercial market.</p> <p>The 50 lb. size for corn masa is okay.</p> <p>USDA pack sizes for all purpose flour, whole wheat flour, and bakers hard wheat flour conform to those in the commercial market: 4/10 lb., 8/5 lb., 25 lb., 50 lb., and 100 lb. units.</p> <p>USDA's packaging requirements for wheat farina are different from commercial, but we plan to continue producing product to USDA's specifications.</p>	<ul style="list-style-type: none"> • A 25 lb. bag or less of flour would be ideal for smaller schools to reduce spoilage and injuries. • A 25 lb. bakers hard wheat would be better. The 50 lb. is too heavy/bulky for food service staff. • We hear that 50 lb. bags are generally too heavy. • We like the current pack sizes of flour. • Continue to use customary commercial pack sizes for wheat farina. • Look at USDA's Commodity Acceptability Report for school preferences. • No problems. We prefer a 5 lb. or 10 lb. bag for these type products. They are easier to handle, more convenient for residential kitchens, etc. 	<p>USDA's all purpose flour sizes are 50 lb., 4/10 lb., and 8/5 lb. bags.</p> <p>Our bakers hard wheat flour comes in a "bulk" size, and in 100 lb. and 50 lb. bags.</p> <p>Our whole wheat flour sizes are 4/10 lb. and 50 lb. bags.</p> <p>Our bread flour size is 4/10 lb. bags.</p> <p>Our corn masa flour size is a 50 lb. bag.</p> <p>Our cornmeal sizes are a 4/10 lb. and an 8/5 lb. bag.</p> <p>Our bakery mix sizes are a 6/5 lb. and a 35 lb. bag.</p> <p>Our current size for wheat farina is a 24/14 oz. unit.</p> <p>USDA is reviewing industry availability and its customers' preferences for 25 lb. bags of flour and will pursue making this size available, if practical.</p>
3b.	<p><i>Labels:</i></p> <p>Stay with USDA's labels for yellow cornmeal and all purpose flour, as they are less expensive than commercial counterparts.</p>	<ul style="list-style-type: none"> • We agree with the commercial label option. 	<p>We will continue to give vendors the option of using commercial labels on USDA's commodities. We believe that giving vendors this option will lessen delivery delays caused by the need for special commodity runs, encourage more bidders, and reduce overall program costs.</p>

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3c.	<p><i>Testing:</i> With regards to testing for masa flour:</p> <ul style="list-style-type: none"> • USDA requires testing for ash content. Commercial specifications do not require testing for ash content because it has no bearing on product quality. • USDA tests each lot prior to shipment. Commercial specifications call for random microbial testing on a monthly or weekly basis. • USDA tests for functionality by mixing with water. Commercial specifications do not. 	<ul style="list-style-type: none"> • Conform USDA's testing requirements for flours/cornmeal/farina to customary commercial testing requirements. <p>Change the 10% moisture content requirement in the Commercial Item Description for bakery mix to reflect the 11.5% moisture content requirement in USDA's Announcement BF7 that covers bakery mix. The 10% moisture requirement can only be met by using dried flour, which is not common in the commercial market anymore.</p>	<p>Vendors now have a choice of providing flours, cornmeal, and farina using either USDA's specifications and packaging or their own commercial specifications and packaging. If current USDA specifications are followed, the maximum ash content of the product must be no more than 2.2 percent, and each lot must receive a USDA "Certificate of Analysis" based on moisture, granulation, fat, and pH content. We are in the process of reviewing these requirements, as well as those addressing microbial testing and functionality. USDA will conform to customary commercial specifications and practices, where feasible.</p> <p>We changed Announcement BF7 that covers bakery mix in May 1997 to allow for 11.5% moisture content. We are aware that the Commercial Item Description for bakery mix still contains a 10% moisture requirement, and we will make changes to the moisture content requirement, if appropriate.</p>
3d.	<p><i>Malted Barley vs. A. Amylase:</i> USDA only allows malted barley flour to be used as a supplement in all purpose flour, whole wheat flour, and bakers hard wheat flour. Commercial also allows the use of an A. Amylase enzyme preparation.</p>	No comments.	<p>In the past, only malted barley flour was allowed because the Federal Grain Inspection Service (FGIS) did not own equipment capable of testing for A. Amylase. In June 1999, FGIS testing of commodity flour was superseded by USDA's Total Quality Systems Audit program. We now purchase flour under both commodity and commercial specifications and have changed the requirement so that it allows either malted barley flour or A. Amylase to be used as a supplement.</p>

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3e.	<i>Other Comments on Flours:</i> No comments.	<ul style="list-style-type: none"> In our school district, we add a bit of commercial all purpose flour to our USDA all purpose flour to make baked products come out lighter. Perhaps there is not enough gluten in USDA's product. We don't bake from scratch. We need high quality mixes in 5 lb. boxes with easy instructions that produce great end products. 	<p>All purpose flour is not the most suitable flour for many baked products. We suggest that, before doing baking, school food service staff refer to USDA's Commodity Fact Sheets to identify the most suitable type of flour to use for a particular product. The Commodity Fact Sheets can be referenced on the Food and Nutrition Service's website at: http://www.fns.usda.gov/fdd/facts/schfacts/cats.htm</p> <p>We do not anticipate offering mixes other than bakery mix at this time.</p>
4.	Butter		
	No problems. Industry uses 1 lb. solid, 68 lb. bulk, and 25 kg. bulk pack sizes.	<ul style="list-style-type: none"> Schools have requested individual serving sizes (pats) of butter. No problems. Schools best use butter in 1 lb. blocks because they are easiest for recipe use. No problems. 36/1 lb. solids are fine for residential treatment centers. 	Except for the 36/1 lb. solids that we purchase for the Food Distribution Program on Indian Reservations (FDPIR), we do not plan to offer butter to any other domestic nutrition assistance programs. Individual serving sizes (pats) are unlikely to be offered through any program due to their high cost. We will continue to purchase 36/1 lb. solids for FDPIR recipients.

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5.	Cheese		
5a.	<p><i>Tower Barrel Technology:</i> USDA packaging requirements for barrel cheddar do not take into account the new "tower barrel" technology that reduces free whey and better distributes moisture:</p> <ul style="list-style-type: none"> • A corrugated octagonal barrel is more common commercially because the flute can be altered to provide additional strength. • The product is vacuum-sealed in the liner creating more "headspace" between it and the barrel, which would currently cause it to be rejected by USDA. 	No comments.	<p>We now allow cheese produced under the new "tower barrel" technology for purchases specifically made for domestic nutrition assistance programs. For price support purchases, we will continue to require round fiber drum barrels for the product rather than corrugated octagonal barrels because of the long-term storage needs associated with price support products.</p> <p>USDA's cheese Announcements for domestic food assistance programs do not have a headspace requirement, but purchases made under price support do have such a requirement. This requirement allows for better stacking under long-term storage conditions. We would be willing to consider a corrugated octagonal barrel for price support purchases if one were available with long-term storage characteristics similar to the round fiber drum.</p>
5b.	<p><i>Cheese Packaging Issues:</i> No comments.</p>	<ul style="list-style-type: none"> • Plastic needs to be between each layer of the 12-lb. slab (B113) mozzarella cheese instead of between every third layer. We are expending a great deal of capital in addressing this problem when we process the cheese. • The clear wrapping on commodity mozzarella cheese is not good because it can be missed and remain on the cheese when our company processes it. Our choice is blue wrapping. 	<p>We no longer purchase mozzarella cheese with plastic between each layer of slabs because it is not common commercial practice to do so and the cost is higher</p> <p>Blue wrapping is not the industry standard for "totes" of mozzarella cheese although some manufacturers use it in spite of its higher cost. USDA will examine the feasibility of requiring colored plastic by reviewing pertinent issues such</p>

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		<ul style="list-style-type: none"> Individually wrapped slabs should not be designated as processor packs because they are labor intensive and very costly for our company to process. Smaller pack sizes are preferred by schools so that food does not go to waste; sliced cheese does not freeze well and cheddar and mozzarella cheese have gotten moldy before the entire package can be used. We propose that, when a State places an order for delivery into a processor, the processor be allowed to specify the pack size it wants. This would help the processor maintain low production cost and optimal product quality. 	<p>as its cost, and the level of improved safety that it provides.</p> <p>This School Year, USDA began purchasing unfrozen mozzarella cheese for processing in "totes only" with no individually wrapped pieces allowed.</p> <p>States and schools should keep in mind that mozzarella cheese is shipped frozen and should remain frozen until ready to use. All other types of commodity cheeses are shipped refrigerated and should be stored refrigerated until ready to use. Improper temperatures during transit and storage can often result in weeping and molding. Since USDA can ship cheese year round, we encourage States, schools, and recipient agencies to stagger their shipments throughout the year to limit the type of problems that can occur when cheese is stored a long time.</p> <p>We will continue to examine strategies used by commercial industry for reducing mold on cheese including antimycotics and gas flushes. We will also examine strategies for educating customers on the proper receipt, handling, storage, and cooking of cheese.</p> <p>A team made up of representatives from USDA and the cheese industry has developed a system for giving processors more flexibility in determining what pack sizes they receive. Companies that process USDA unfrozen mozzarella cheese into further end products for schools may call the vendor supplying the cheese</p>

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			and specify the pack size they want from among several that have been pre-approved by USDA. Vendors, processors, and States are being informed of this change. USDA has also amended its cheese announcements to specify that cheese loaves cannot be individually wrapped. This should make smaller loaves less work intensive for processors.
5c.	<i>Cheese Labels:</i> USDA's container and marking requirements for block cheddar and barrel cheese purchased under price support are different than commercial.	<ul style="list-style-type: none"> We agree with giving vendors the option to use commercial labels on cheese. 	We now allow commercial labels on cheese that we purchase for domestic nutrition assistance programs. For price support purchases we are allowing the use of commercial markings and containers, but may request special markings and containers when they are necessary for our long-term storage needs.
5d.	<i>Cheese Nutrition analysis:</i> Nutritional analysis for block cheddar and barrel cheese should be based on the Agricultural Handbook 8-1 (U.S. Dairy Export Council-Section 8).	<ul style="list-style-type: none"> USDA should match its nutritional analysis for block cheddar and barrel cheese to Agricultural Handbook 8-1. 	USDA does not plan to tie its nutritional analysis for block cheddar and barrel cheese exclusively to Agricultural Handbook 8-1 because industry does not exclusively do so. USDA's standard nutritional analysis for natural cheese is based on the Food and Drug Administration's labeling regulations. In addition, nutrition information for commercially packaged cheese may be based on actual nutrient analyses, or databases such as Release 15 of the USDA National Nutrient Database for Standard Reference.

5e.	<i>Cheese Lab Testing:</i> Commercial specifications for block cheddar and barrel cheese include	<ul style="list-style-type: none"> We suggest that you follow commercial practices for lab testing of cheese, including 	All cheese acquired for domestic nutrition assistance programs must meet the Code of
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	<p>microbiological parameters, in particular for coliform and E. coli.</p> <p>The final determinant should be the grade of the product, not its pH.</p> <p>Commercial uses its own laboratories for testing process cheese.</p> <p>More labs are needed throughout the nation for testing block cheddar and barrel cheese that is purchased under price support. The current testing time takes too long. USDA should set up a system for approving labs similar to the one it uses for approving dairy plants.</p> <p>USDA can speed up testing results by sending them back to the vendor electronically instead of via the U.S. mail. Sending things electronically would speed up testing timeframes considerably.</p>	<p>testing for coliform and E. coli, as long as it does not result in shipment delays as it did with the meat products.</p> <ul style="list-style-type: none"> Change the pH level at which discounts begin for light mozzarella cheese from greater than 5.30 to not greater than 5.40. Due to industry advances, this slightly higher pH now produces a better quality product and lessens the likelihood of a grainy, soft, or pasty body that is associated with light mozzarella cheese that is below a pH of 5.30. 	<p>Federal Regulations (CFR 21, Section 133.3), and requirements under the "Grade A" Pasteurized Milk Ordinance. Pasteurization destroys all pathogens and makes cheese safe for human consumption.</p> <p>We studied the pH requirement for light mozzarella cheese during past specification reviews and decided that the requirement for a pH not exceeding 5.30 is necessary to ensure a high quality product. Although we are committed to allowing as much flexibility in the manufacturing process as possible, the quality of the finished product must be our primary concern. As a result, we intend to keep the current pH requirement.</p> <p>Except for price support purchases, vendors supplying cheese to USDA have the option of using either commercial laboratories or USDA laboratories for testing commodity cheese. Additionally, vendors that are approved under Total Quality Systems Audits are allowed to use their own in-house laboratories. For price support purchases, we will continue to require that USDA labs perform the required tests to ensure that the cheese meets our long-term storage needs.</p> <p>We want to conduct as much of our business as possible electronically. We are in the process of evaluating electronic delivery technology and security mechanisms, including those related to electronic signatures and the confidentiality of privileged vendor data. Once this is done, we will implement enhancements that should reduce the response times for lab results.</p>

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5f.	<i>Cheese Payment Speed:</i> USDA should consider using electronic Notices to Deliver and make its payments electronically where possible rather than using the U.S. mail.	<ul style="list-style-type: none"> We would like to receive Notices to Deliver electronically in order to ship faster and shorten processing times. Mail/FedEx can take a week or more. We already receive electronic payments from USDA, and they arrive timely. We agree that USDA should conduct as much business as possible electronically. 	USDA now makes payments for all Group B products electronically. We are in the process of adding a function to our Electronic Commodity Ordering System (ECOS) that would provide information from the Notice to Deliver form in an electronic format that could easily be downloaded by ECOS users. This information would not replace Notice to Deliver forms, just supplement them.
5g.	<i>Cheese Shelf Life:</i> USDA requires a 150-day shelf life for reduced-fat shredded cheddar while the industry standard is 90 days.	<ul style="list-style-type: none"> We strongly agree with USDA's shelf life requirements. Keep the 150-day shelf life requirement, or shift all purchases to reprocessed product so that school districts have more control over shipments. Keep 150-day shelf life requirement because USDA is moving to commercial labels where pack dates are not always clear. We agree with 150-day shelf life requirement. USDA should mimic commercial cheese specifications as much as possible so that industry does not incur greater costs trying to meet different standards. 	Reduced-fat cheddar cheese for USDA's commodity nutrition assistance programs is warranted for 5 months (approximately 150 days) following the date of delivery. All other cheeses are warranted for 180 days following the date of delivery. We feel these shelf-life requirements are necessary because Federal, State, and school district commodity distribution systems are often slower than those used for retail foods.
5h.	<i>Cheese Fat Content.</i> Full-fat content is the industry standard for most cheeses, not reduced-fat.	<ul style="list-style-type: none"> USDA's light shredded mozzarella cheese is not good. It does not melt. We don't order it; we want shredded mozzarella cheese that is not lowfat or fat-free. 	It is important that any cooking instructions provided by the vendor for each specific commodity cheese be followed since reduced-fat and light cheeses have a higher melting point than

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		<ul style="list-style-type: none"> Reduced-fat cheeses and dairy products can be risky items to receive. We aren't sure if the end product will perform well so we opt for light cheeses, as they seem to perform better. Schools need education on the differences in performance between reduced-fat and light cheese. We can menu lower fat cheeses more often than full-fat and meet school meal guidelines. For the health of the nation, USDA needs to encourage companies to manufacture high quality reduced-fat commodity and commercial cheeses with good melting properties, good taste profiles, etc. USDA should continue offering reduced-fat cheese as an alternate and as an aid in meeting meal pattern requirements. We very much appreciate the fact that reduced-fat cheese is available to schools. Many of our customers indicate a preference for lower fat, healthier alternatives. Reduced-fat cheese helps us meet school meal guidelines. We would use less cheese if we received only regular. Reduced-fat cheese is acceptable and usable in many ways. We like reduced-fat cheese of any type (American, mozzarella, cheddar). Lower-fat cheeses are okay. 	<p>their full-fat counterparts. USDA commodity fact sheets also provide useful handling and preparation guidelines for commodity cheeses. We are currently looking into strategies for better educating customers on the performance differences between these types of cheeses.</p> <p>We will continue to provide reduced-fat and light cheeses as an alternative to full-fat cheeses to assist school food service departments in balancing the fat content of their meals, which, unlike meals cooked by the general public, must address specific nutritional requirements.</p>
5i.	<i>Cheese Inspection/Grading:</i> Get rid of the on-line and end-line USDA inspection requirement for block and shredded cheddar (full/reduced-fat), and unfrozen mozzarella. It is expensive and	<ul style="list-style-type: none"> For all cheeses, replace the USDA end-line inspections with HACCP, Total Quality Systems Audits, and vendor certifications. Do not specifically exclude product from this policy without justification (i.e. frozen vs. 	USDA implemented Total Quality Systems Audits in July 2002 for all non price-supported commodities except process cheese. This system emphasizes vendor quality control during production rather than relying on a traditional

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	<p>severely restricts production scheduling by forcing companies to run production according to the availability of USDA's inspectors. Total Quality Systems Audits, HACCP, vendor certification, and other quality guidelines are adequate. Commercially processed cheese is not required to be USDA-certified, unlike commodity cheese.</p> <p>Expedite the completion of Grading Certificates so that offers can be made.</p> <p>Most transactions take months to complete.</p>	<p>unfrozen mozzarella cheese).</p> <ul style="list-style-type: none"> • We feel USDA's Total Quality Systems Audits are of benefit to the commodity programs and their recipients. • Our school foodservice feels that commodity products should be graded so they are equal to or better than their commercial counterparts. • We would like to receive grading certificates electronically in order to move product more quickly. Typing and mailing delays can be lengthy. 	<p>end-item inspection by USDA. We believe this approach will result in a high quality product while reducing costs and allowing vendors room for innovation. We are evaluating the possibility of extending Total Quality Systems Audits options to process cheese operations.</p> <p>We want to conduct as much of our business as possible electronically. We are in the process of evaluating electronic delivery technology and security mechanisms including those related to electronic signatures and the confidentiality of privileged vendor data. Once this is done, we will implement enhancements that should reduce response times for the delivery of certificates.</p>
5j.	<p><i>Cheese Minimum Age:</i> A ten-day minimum age for reduced-fat and full-fat cheddar cheese should work well.</p> <p>When using the tower barrel technology, a 10-day minimum age for most cheeses should be all that is necessary to ensure quality. Block cheddar, and perhaps some other block cheeses, might still need 20 days for full flavor development.</p>	<ul style="list-style-type: none"> • Keep the 20-day minimum age requirement so that taste and texture remain consistent. • USDA should follow usual and customary commercial practices for aging. 	<p>We do not plan to lessen the 20-day minimum age requirement for reduced-fat cheese to a 10-day minimum. We believe that reduced-fat cheese needs to be about 20 days old before its quality can be adequately determined. We are currently in compliance with industry requirements of 10 days for regular cheddar cheese under Announcement BCD2 and Dairy-5.</p>

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5k.	<i>Storage and Delivery Temperatures:</i> No comments.	<ul style="list-style-type: none"> Allow cheese to be aged, stored, and delivered at any temperature less than 42°F per commercial standards. USDA's Announcement MCD3 entitled "Purchase of Mozzarella Cheese For Use in Domestic Programs" requires product to be aged at 38°F to 42°F. Unfrozen Mozzarella must be delivered at 32°F to 36°F. Frozen Mozzarella must be delivered at 20°F or lower. 	We will review Announcement MCD3 "Purchase of Mozzarella Cheese For Use in Domestic Programs" in light of current commercial temperature practices and standards. Please keep in mind however, that commercial wholesale and retail distribution systems move product more rapidly than commodity distribution systems can. USDA will take this into account since any rise in temperature will result in a shortened shelf life for the product.
5l.	<i>Cheese Distribution:</i> No comments.	<ul style="list-style-type: none"> USDA needs to make its ordering and distribution system as quick, responsive, and as efficient as the commercial sector. For example, school districts in our State are required to place commodity cheese orders well before they have actually menued and know how much cheese they need. Our processing company would like to handle the scheduling of cheese deliveries so that we are not holding high levels of inventory at any given time. 	<p>USDA asks for cheese orders well in advance of actual delivery dates so it can make bulk purchases at lower prices. States do have some ability to change their orders throughout the year as needed. USDA also delivers its shipments throughout the year so the cheese can be received as needed.</p> <p>The PCIMS Bi-weekly Delivery Order Status Report on the Food Distribution Division's website identifies each load of commodity to be delivered to a particular processor. This Report is being revised to include the name of the vendor that USDA has purchased each product from. Once the order status report is revised to reflect the vendor's name, processors will be able to identify the vendor from which USDA is purchasing the product. This allows them to be proactive in getting deliveries scheduled by contacting the applicable vendor. The PCIMS Bi-</p>

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			weekly Delivery Order Status Report can be found at: www.fns.usda.gov/fdd/pcims/.htm .
5m.	<i>Vendors Supplying Cheese for Processing:</i> No comments.	<ul style="list-style-type: none"> For States in which our company does processing, we would like to be able to direct USDA's purchases of cheese for further processing to particular vendors that meet our rigid specifications and are on a USDA "approved list." This would allow USDA to leverage commercial purchasing power to the needs of the commodity program and result in higher quality raw materials at a lower overall cost to USDA. As a processor of commodity mozzarella cheese, we are challenged by our lack of control over the vendors supplying us with USDA cheese. Our method is to conduct audits of our suppliers. If we can't approve them, we can't guarantee quality. It is not possible to audit USDA's large number of vendors, some of which haven't passed our audit. We propose that, when a State places an order for delivery into a reprocessor, the reprocessor be allowed to use its own list of approved vendors to maintain low production costs and optimal product quality. As a cheese processor, we are working with other vendors to consolidate and formalize our ideas and needs, and would like an opportunity to address them in the near future. 	USDA is required to use the Federal Procurement process of sealed bids when procuring foods for the commodity nutrition assistance programs. Contracts are awarded to the companies that offer the lowest prices, are most responsible, and are most responsive to our needs. We suggest that processors who work with preferred suppliers encourage those suppliers to bid on USDA contracts.
5n.	<i>Other Cheese Issues:</i> No comments.	<ul style="list-style-type: none"> USDA should work with vendors on the specifications it wants rather than relying on the 	Because the "FDA Standards of Identity" are considered the commercial standard for cheese

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		<p>"FDA Standards of Identity" for its cheese purchases.</p> <ul style="list-style-type: none"> No problems. The American, cheddar, and 5 lb. block mozzarella are very good. 	and cheese substitutes, USDA plans to continue to use them when identifying what constitutes a reimbursable meal under the National School Lunch Program.
6.	Nonfat Dry Milk		
	<p>We use American Dairy Products Institute specifications. Our standard is usually a 50 lb. or 25 kg. bag.</p>	<ul style="list-style-type: none"> Nonfat dry milk for processing should be available in the industry standard of 2,000 lb. totes. One person can easily and safely open and empty a tote using the pull-cord while two people are necessary to open and empty 36 fifty-five pound cases of commodity product using box cutters. This is a safety concern. Dry milk is always shipped to our warehouse in bags that appear to be made for a larger quantity of commodity. The bags hang over the pallets, and the dry milk inside slides around making handling difficult. 	<p>We currently offer nonfat dry milk as a bonus item only. The product is available to all commodity nutrition programs:</p> <ul style="list-style-type: none"> -Non-fortified is offered in 25 kg. (55.1 lb.) and 12/2 lb. bags. -Fortified is offered in 25 kg. bags. -Instantized-fortified is offered in 12/25.6 oz., and 6/4 lb. bags or packages, and 25 kg. bags. <p>We use the U.S. Standard for Grades for our commodity nonfat dry milk, except that we require a lower moisture level (not to exceed 3.5%) due to the likelihood of long-term storage for the product that is purchased under USDA's price support program.</p> <p>USDA is currently researching the use of totes for nonfat dry milk and will make a decision on them after thoroughly reviewing issues such as size, thickness of the inner poly liner, how well the container seals, shelf life, warehouse storability, cost, and availability of the product.</p> <p>All nonfat dry milk is currently purchased under the Milk Price Support Program. The requirements of this program, outlined in Announcement Dairy-5, require that product be shipped in trucks that are loaded and braced in</p>

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		<ul style="list-style-type: none"> Although USDA's specifications call for a 50 lb. carton, the cartons actually weigh 55.12 lbs. (25-kg. units). This exceeds the 50 lb. maximum that one employee is allowed to handle by themselves per the Occupational Safety and Health Administration (OSHA) regulations. It would be great if nonfat dry milk for schools came in smaller pack sizes like in The Emergency Food Distribution Program. It is hard for distribution companies such as ours to handle the product without ripping the packaging. School staff find nonfat dry milk hard to handle as well. Bags smaller than 50 lbs. would be easier for local food service employees in our State to handle; we have opted for cases containing 6/4 lb. bags. We have heard from some customers that smaller pack sizes are preferred. Look at USDA's Commodity Acceptability Report for school preferences. 	<p>accordance with good commercial practices to assure safe arrival under normal handling and transit. Some amount of bag overhang over pallets is common in the commercial industry. However, it should not interfere with normal storage and handling practices. USDA will look into what kind of complaints have been received about overhanging bags and take corrective action with vendors as needed.</p> <p>In 2001, a bill was proposed in Congress, but never passed into law, that would have restricted employees to a 50 lb. lifting maximum. OSHA's current policy on lifting suggests that companies implement injury prevention efforts, in consultation with employees, with the goal of minimizing work related injuries.</p> <p>Nonfat dry milk is available to all commodity nutrition assistance programs in the following smaller sizes: Regular non-fortified is offered in 12/2 lb., and Instantized-fortified is offered in 12/25.6 oz., and 6/4 lb. bags or packages.</p>

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		<ul style="list-style-type: none"> No problem. A 25 kg. bag is fine since we only send it for processing. No problem. The 25kg. bags are fine. 	
7.	Infant Formula		
	USDA has done a good job. There are no suggestions for change.	<ul style="list-style-type: none"> Look at USDA's Commodity Acceptability Report for preferences. 	There were no suggestions for making changes in infant formula in the 2002 Commodity Acceptability Report.
8.	Pasta		
	No comments.	<ul style="list-style-type: none"> The spaghetti sometimes cooks mushy and starchy. Pasta bags tend to break easily. States have commented that they would like other types of product with pasta (stuffed shells, 	<p>We purchase pasta from several different vendors, typically furnished under commercial label. Specific cooking instructions provided by each vendor may vary. Procedures such as adding salt to the water when not recommended, or using a different ratio of water to pasta, can affect cooking time and result in mushy pasta. If you find that the specific instructions are being followed and the product is still not satisfactory, please call the FNS Food Distribution Programs Commodity Complaint Hotline at 1-800-6991, or email us at: commoditycomplaints@fns.usda.gov so we may investigate the problem further.</p> <p>Almost all of the 1 lb. and 2 lb. packages of pasta used in USDA's domestic nutrition assistance programs are now purchased in commercial packaging. We will review complaints to see if customers still have a problem with breaking bags and address the issue with vendors if it is still found to be a problem.</p> <p>We will continue to explore the feasibility of providing more varieties of product as we make</p>

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		manicotti, and ravioli with meat, etc.).	future purchases.
9.	Vegetable Oil/Shortenings		
	No comments.	<ul style="list-style-type: none"> The outer packaging of the 6/1 gallon vegetable oil as well as the plastic bottles themselves need to be strengthened; we have problems with busted or leaking bottles when the product is stacked, especially over an extended period of time. USDA should not require red ink on the primary containers and shipping containers of low-saturated fat soybean oil. The shortenings and oils need better labeling; an item number on the packaging also wouldn't hurt. Even though PPP-B-636J has been cancelled and replaced by American Standard Testing Methods specifications, it is still referenced in Announcement V08 for vegetable oil and is still required for shipping container markings, which confuses container suppliers. 	<p>USDA now purchases all commodity oils/shortenings for its domestic nutrition assistance programs using commercial specifications. The product packaging is now identical to that in the commercial sector. We will reexamine our standards and will consider changes as needed.</p> <p>The specification referenced is not an Announcement that USDA uses for domestic nutrition assistance programs. It is an announcement that USDA uses for export programs.</p>
10.	Peanut Butter		
	No comments.	<ul style="list-style-type: none"> The current plastic pails don't hold up in our State warehouse. They are very thin, crush easily, and the lids pop open. Loads arrive with lots of damage and bad pallets. It is impossible to stack product over two pallets high without crushing the pails. The peanut butter that came in heavy plastic jars with screw-on lids and foil seals on the jars held up much better. The 18 oz. size should follow industry standards and be in PET plastic. Packaging other than this could cause recipients to feel that 	We purchase all of our commodity peanut butter using commercial specifications and in commercial packaging. We did receive some complaints regarding problems with plastic pails crushing easily and lids popping open. The problem, which occurred with only one vendor, has been fixed. The vendor is now using a heavier pail, which is able to withstand delivery and storage conditions.

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		<p>they are not getting the same quality product as found in retail stores. This could result in them choosing not to repeat spending their money on commodity peanut butter.</p> <ul style="list-style-type: none"> • We've received comments that, in the past, the peanut butter tended to be stiff and inconsistent. • Peanut butter is the best utilization for peanuts; children tend to spill, throw, and choke on non-processed nut products. 	<p>USDA now purchases all commodity peanut butter using commercial specifications. This requires it to be purchased in accordance with the Food and Drug Administration's best manufacturing practices for quality and acceptability. As a result, past problems with consistency and texture have been dramatically reduced, and the product is identical to that available commercially. We reexamine our standards periodically and will consider changes if we receive complaints about the consistency of the commercial product.</p>
11.	Specifications and Announcements		
	No comments.	<ul style="list-style-type: none"> • Many cancelled Federal specifications are still referenced in USDA's Announcements although they have been replaced by American Standard Testing Methods specifications. This confuses shipping container suppliers. 	<p>We will eliminate references to the cancelled Federal specifications in all future USDA Announcements.</p>
12.	Timely Availability		
	No comments.	<ul style="list-style-type: none"> • More Group B products need to be delivered at the beginning of the school year when we need them; some cash-in-lieu of commodities would allow us to order them when needed. Receiving a bulk of commodities without storage space results in us having to pay a company for storage. 	<p>Except for cheese, which is ordered annually, all other Group B products can be ordered bi-monthly or quarterly. All Group B products, including cheese, are delivered throughout the year as needed.</p>

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13.	Other		
	No comments.	<ul style="list-style-type: none"> • Larger units going to school districts should be made up of smaller units banded together. That way we can separate them into smaller, more manageable units to go to each individual school. Banding could be done for oats, flour, cornmeal, farina, and butter. • Group B commodities are packed on very poor quality pallets with broken boards and nails that stick out and damage paper bags and plastic bottles. This always results in commodity losses. • Commercial labels work fine and seem to be popular with recipients in The Emergency Food Assistance Program. However, they make it more difficult to find a clear pack date. For commodities it would be helpful to have some kind of USDA date indication on commercial labels. • The option to use commercial labels is fine. • Pack Group B products in bags that are 25 pounds or less to reduce chances of injury and spoilage. • The smaller the commodity package the better for our residential treatment center. • We like the current pack sizes of all Group B commodities; keep it the same. Don't change 	<p>Banding together specific items is likely to significantly raise the cost. We want to purchase product in standard commercial shipping units to keep costs as low as possible, allow for speedy production, and ensure the largest pool of potential bidders.</p> <p>All commodity pallets must meet strict specifications. They must:</p> <ul style="list-style-type: none"> • be made of Number 2, 4-way, reversible flush stringers. • contain no broken runners or slats. • be constructed to facilitate the safe handling and transportation of the packaged product, as a unit, without loss or damage. <p>If you receive product with poor quality pallets, please notify USDA's Kansas City Commodity Office at 816-926-6124.</p> <p>We have given vendors the option to use commercial labels for USDA's commodities. We plan to continue purchasing product with commercial labels because we believe that, in the long run, commercial labels will lessen delivery delays caused by the need for special commodity runs, encourage more bidders, and reduce program costs.</p>

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		<p>just for the sake of change.</p> <ul style="list-style-type: none"> • Our food bank concurs with all of USDA's earlier responses to industry. (Note - These responses can be accessed at: www.fns.usda.gov/fdd/caps/groupbspecs.pdf) • USDA does a very good job providing products in usable forms for school meals given the fact that it also has to reduce surpluses and support prices. Sometimes we forget how and why we get these foods. 	

Link to the:

[Overview](#)
[USDA's Group B Specifications and Standards Review](#)
[Final Recommendations](#)

web address: www.fns.usda.gov/fdd/caps/groupbspecs-finalrecs.pdf